

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814
(916) 322-5475



June 18, 1980

ALL-COUNTY INFORMATION NOTICE NO. 1-63-80

TO: ALL COUNTY WELFARE DIRECTORS

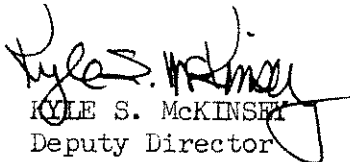
SUBJECT: FOOD STAMP PROGRAM - CONTRACTING FOR POSTAL ISSUANCE

USDA and the U.S. Postal Service have completed negotiations on the national sales agreement for food stamp issuance. As you are probably aware, they agreed to increase the fee from \$1.10 to \$1.42 per transaction. This represents an increase of 29 percent.

Manual Section 63-601.2 specifies that postal contracts are exempt from the competitive bid process. Therefore, if you find it advantageous, you may continue to contract for postal issuance. However, counties are reminded that if they are not currently contracting with the USPS, Section 63-601.23 requires prior SDSS approval before entering into such contracts. An All-County Letter regarding competitive bidding for other issuance contracts will be issued shortly.

If you should have any questions, please contact your Food Stamp Program Operations Analyst at (916) 322-5475.

Sincerely,


KYLE S. MCKINSEY
Deputy Director

cc: CWDA
FNS/WRO